News Release

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City reduces costs, improves controls: Auditor's report

Edmonton, April 10, 2008 – City Auditor David Wiun has highlighted several City success stories in his 2007 Annual Report.

In 2007, the Office of the City Auditor completed 24 audit projects, making a total of 128 recommendations to improve the economy, efficiency, and effectiveness of City operations. City Administration will act on all of the recommendations.

Highlights from 2007 projects include:

Comprehensive planned maintenance process will maximize the useful life of city buildings and facilities
The Corporate Properties Branch (formerly Land and Buildings Branch) review indicated that most maintenance on City buildings and facilities are unplanned activities. Planning for maintenance and coordinating resources will make the best use of dollars dedicated to maintenance, repair and rehabilitation.

Fleet audit leads to immediate savings
The Mobile Equipment Services Branch review confirmed that it is cost effective to maintain the fleet in-house. Further efficiency opportunities discussed in the report contributed two million dollars towards keeping the 2008 tax levy at 7.5%.

Improved controls put in place in a number of City programs
"The City followed many audit recommendations to achieve further improvements to its internal operations," the City Auditor David Wiun explains. "The Administration introduced greater accountability and financial management through improvements to cash handling controls and through organizational guidelines for corporate expense accounts."

This year's Annual Report also highlights results and improvements noted through following up on previous year's audits. "These examples show the City's ongoing commitment to cost-effective services and quality organizational governance," says David Wiun. "By following through on audit recommendations, the City is improving services to citizens, increasing revenues and reducing costs."

Some of the highlights include:

Edmonton Police Service reduces overtime costs by $1.1 million
EPS reduced its overtime costs by $1.1 million from 2006 to 2007 by implementing improved management controls on overtime use.

Edmonton Transit Service reduces fare evasion, enhances service value
By reducing fare evasion, ETS has increased revenues by more than $200,000 annually and has enhanced safety for drivers and passengers. The City is currently reviewing and implementing strategies that could lead to additional cost savings.

City bylaw improvements simplify regulations, increase user-friendliness and enhance enforcement efforts
The City consolidated 13 related bylaws into two foundational bylaws for community neighbourliness. The new bylaws help the City respond more proactively to enhance property standards and maintain the quality of public spaces.

The City's Fraud and Misconduct Hotline is working well
The City Auditor reports that in the first year of the hotline's operation, his office received 60 reports of misconduct, 52 through the hotline and eight reports directly to his office. Twenty-two reports were investigated by the Office of the City Auditor and the City Administration.

David Wiun adds that "The hotline conveys to employees, the public and all those that conduct business with the City that the City of Edmonton is committed to ethical conduct and takes the detection and prevention of fraud, waste or other irregularities seriously."

City Council's Audit Committee will discuss the complete 2007 Annual Report at its meeting on April 15.

The report is available at www.edmonton.ca/auditor and click on 2007 Annual Report.

About Edmonton:
This is a city alive with energy and boundless opportunity - a growing economic powerhouse where business thrives and more than a million lives enjoy the freedom to explore, experiment, experience, excel and expect the most out of every day. A place like no other, Edmonton is filled with surprises great and small and a calendar packed with artistic, sporting, theatrical and cultural celebration.

For more information on Edmonton, please visit our website at: www.edmonton.ca.

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THE CITY OF Edmonton